

94th ANNUAL REPORT 1968

AR51



VOUS ÊTES LE GRAIN
DE SÈNEVE QUI OUVRA
ET MULTIPLIÉRA ET SE
REPARA D'ANS TOUT LE
PAYS

BOARD OF DIRECTORS

From left to right: J. Jacques Beauchemin, André Charron, Q.C., Gérard White, C.A., Renault St. Laurent, Q.C., Joseph Blain, Q.C., Henri Ferron, C.A., Etienne Crevier, Wilbrod Bherer, Q.C., Henri Ouimet and Aristide Cousineau, Vice-Presidents; Louis Hébert, President; F. Philippe Brais, Q.C., Chairman of the Board; René Leclerc, Vice-President and Chief General Manager; George T. Donohue and Jean Raymond, Q.C., Vice-Presidents; George A. Daly, Roger DeSerres, Gaston Elie, Georges O. Clermont, Alfred Tourigny, Q.C. and Marc H. Dhavernas. Not present when picture was taken: Maurice Chartré, C.A.



HIGHLIGHTS

	1968	1967
Assets	\$1,411,517,566	\$1,235,077,693
Deposits	1,314,898,283	1,144,052,868
Loans	832,979,879	736,259,130
Net Profits	5,019,489	4,636,487
Earnings per share	0.84	0.77
Provision for income taxes	5,561,000	5,029,000
Capital (per share \$2.00)	12,000,000	12,000,000
Rest account (per share \$8.33)	50,000,000	49,000,000

 Banque Canadienne Nationale

Established in 1874

Head Office: Montréal

94th Annual General Shareholders' Meeting



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Louis Hébert * Montréal

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*Member of the Executive Committee

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BOARD OF DIRECTORS

HEAD OFFICE



PRESIDENT'S ADDRESS

Last year I expressed the hope that the spirit of universal brotherhood which had manifested itself so clearly at "Man and His World" would spread across the world. This hope, unfortunately, has failed to come true; even though there is the possibility of a settlement in Viet Nam, other conflicts which are no less disturbing have been erupting almost everywhere.

In Biafra, the people are in the throes of a civil war, a tragedy whose murky depths are difficult to fathom. The Security Council of the United Nations is powerless in this case since this is an internal problem which does not come under its jurisdiction. It was equally powerless in the case of the disturbances that occurred in Czechoslovakia, any discussion of this topic being subject to the veto of the Soviet Union.

Violence, however, is not restricted to these few places on the globe. It is sweeping over the world and few countries have been spared. According to the British historian, Arnold Toynbee, we are now living the Third World War.

In the United States, Black uprisings have multiplied, and have aroused racial hatred. Positions have stiffened on both sides. Liberal-minded leaders who could have been counted on to stamp out these hatreds have been brushed aside by both parties; the Blacks doubted their ability to defend their cause, and the White men considered them traitors to their race.

It was in this tense atmosphere that the tragic assassinations of Martin Luther King and Robert Kennedy took place. Both men were representative symbols and will be truly difficult to replace.

Paralleling these events, there then developed in European universities a giant movement of protest which has caused successive waves of demonstrations in Italy, Germany, and especially France, where it spread to all sectors of the economy and completely paralyzed the country for several weeks. Latin America was not spared: in Mexico, on the eve of the Olympic Games, it was necessary to resort to the army to establish order.

Finally, in our very own Province, we have witnessed the beginnings of a protest in the CEGEP's and in the Universities. Such movements of protest induce one to ask whether the reforms in our teaching methods have not been too drastic. In our classical colleges, the student felt a part of structures and traditions which were firmly established. The new institutions do not seem to afford him structures within which he can adjust himself. Thus severed from his past, he is confronted by an uncertain future. Technology is evolving at such a



rapid pace that he is quite right to question whether, when his turn comes to join the ranks of society, the technical knowledge he will have acquired will not be obsolete. This is what incites him to protest against the society from which he comes but in which he fails to recognize himself.

I have spoken of wars, insurrections, assassinations, and violent manifestations; aren't these the symptoms of a diseased society which has forgotten the meaning of the traditional values on which it was founded and which has not been able to discover new ones?

While our political society is threatened with wars and internal disintegration, we are witnessing constructive economic achievements which, unfortunately, have been relegated to the background by political events. These include, in particular, the agreements reached in Stockholm concerning the creation of new drawing rights and, next, the removal of the last remaining customs duties on goods entering the Common Market.

The American economy was deeply affected this year by the Presidential elections: the solution of more serious problems has yet to come. In Canada, we follow in the wake of our mighty neighbour. As always, we are at the mercy of trends over which we do not have any control. Quebec, for her part, is attempting to evolve at the same rhythm as the country at large. But according to recent reports, the participation of French Canadians in the growth of the country falls short of the average level. In order to rank more highly in the technological society of today, would it not be advisable to put an end to the discussions we seem to be content with and play a more active role in order to speed up our economic progress?

THE U.S. IN SEARCH OF EQUILIBRIUM

The upward trend of the economy which began last fall after the strikes ended in the automobile industry, continued during the summer, as unemployment remained at the extremely low annual rate of 3.5 per cent. Threats of a strike in the steel industry caused those who use steel to build up their stockpiles, thus contributing strongly to this upward swing.

Heavy wage increases were reflected in greater consumer demand. To this increased demand was added that of the State: it is known, in fact, that the budget deficit exceeded \$25 billion.

This expansion was achieved at the cost of price stability. Inflationary pressures are becoming increasingly stronger: the price level is now growing at the rate of 4 per cent annually. In order

to balance the budget and slow down the inflationary trend, the President of the United States was able to obtain approval, after several months of hesitation, of the 10 per cent surtax on income.

It is too early to say to what extent the new tax will slow down the demand. It may well be that consumers will use up part of their savings rather than reduce their purchases. As a matter of fact, the rate of savings has been particularly high for a year, hovering slightly above 7 per cent of the available income, compared with an average of 6 per cent during the past few years. A return to this rate would, of course, make the new tax less effective. On the other hand, it is highly unlikely that there will be any letup in wage increases: management-labour relations being governed by collective agreements which are generally made for two or three years. The agreements signed in the last six months provide for an average increase of 7.5 per cent for 1968. It is well known that wage rates are largely responsible for price levels.

The balance of payments definitely improved in the second quarter, the deficit amounting to \$156 million only whereas the quarterly average in 1967 was about \$900 million. However, the improvement is more apparent than real. It is due, in fact, to an unexpected influx of capital — unlikely to be repeated during the coming quarters — which has masked the continued worsening of the trade balance.

The favourable influx of capital was due in large measure to the purchase by foreign governments of \$800 million worth of bonds, including \$500 million taken by Canada, which by such action maintained her reserves at the level stipulated in the agreement which exempts her from the interest rate equalization tax.

On the other hand, the trade balance which in the first quarter of 1967 amounted to \$4 billion annually dropped to \$52 million during the second quarter this year. It seems that the rapid increase of prices in the United States attracted foreign imports and rendered American products less competitive in foreign markets. It is noticeable, in fact, that the price increase in exports was much greater in the United States than in the industrialized countries with which this country has the largest volume of trade.

It is likely that the fiscal measures which have just been taken by the United States will entail a slowdown in growth in 1969. Even if there is no recession, as is feared in some quarters, there is a danger, nevertheless, of increased unemployment. It remains to be seen how far the American

Government is willing to go to preserve internal and external equilibrium.

CONDITIONS IN CANADA

In Canada, economic growth is somewhat slower than in the United States. The GNP reached \$66 billion annually in the second quarter, an increase of 7 per cent compared with the corresponding quarter in 1967. During the same period, the increase was 9 per cent in the United States. In absolute dollars, however, the difference between the two countries is smaller, for the inflationary spiral is somewhat stronger in the United States.

Industrial production has been levelling off in the past few months after advancing markedly in the spring. The production index of nondurables has dropped a few points while that of durables has advanced, thanks particularly to the impetus given by the automotive industry.

The Canadian-American Agreement continues to bear fruit and, so far, results have exceeded the hopes of its sponsors.

Representatives of the Federal Government and the American Government met recently to examine the results of the agreement and to revise certain clauses. Both groups were able to note the progress achieved since it was signed.

The agreement has been rather advantageous to Canada since it has allowed the latter to increase exports in the automotive sector fifteen-fold: as a matter of fact, the latter went from \$123 million to \$2 billion between 1964 and 1968. On the other hand, it is estimated that 17,000 new jobs were created in the automotive industry. Moreover, related sectors such as textiles, rubber and electrical equipment benefited largely through the agreement.

MANPOWER PROBLEMS

The latest figures show that employment improved slightly during October compared with previous months, but the labour market was unable to absorb all new arrivals. The number of unemployed increased 15% between October, 1967 and the same month in 1968. This is largely due to lengthy periods of unemployment by many individuals: the number of workers unemployed for more than six months increased nearly 50 per cent.

However, conditions differ considerably from one region to another. More than half of the increase is in Quebec. This was to be expected, in a way, since Expo year was an exceptional one. But if this situation is allowed to last, one would be led to conclude that the actual climate in our Province accounts for the lack of development



which was to be expected following the contacts made by both the Department of Trade and Commerce and Quebec businessmen, contacts which should encourage new investments in the Province and lead to an improvement of the labour situation. In the field of industrial promotion, Ontario has a much more aggressive policy than Quebec. Proof of this is to be found in the frequent trade missions sent abroad and the numerous permanent offices that province has in the United States and Europe.

Normally, an increase in unemployment brings some relief to the labour market. But such does not seem to be the case at present because union pressures remain quite strong in certain sectors, as it was possible to observe recently in Quebec. A coherent wage policy is needed more than ever. One is well aware of how wage levels are established at present: any increase granted any category whatsoever of workers in a company leads to demands in similar companies by workers who seek to obtain the same advantages. When this escalation of demands occurs between employees of different municipalities or between groups of civil servants, the situation is painful, for then each taxpayer must share the cost thereof.

MONETARY CONDITIONS

Our dollar experienced difficult moments this year.

In 1967, a heavy inflow of currency due to an unprecedented influx of tourists, added to a trade surplus, enabled our dollar to maintain a strong position on the exchange market. But, it did not remain for very long out of range of the strong assaults under which the American dollar found itself as a result of the devaluation of the pound. During the first rush on gold, in November, 1967, a certain pressure was exerted on the Canadian dollar. This pressure became stronger in the beginning of January when Canadian subsidiaries of American firms, in accordance with the new directives from the President of the United States, made withdrawals of funds which coincided with the regular transfers of interest and dividends. The state of unrest caused by the application of these new restrictive measures produced a movement of funds and increased the pressures on our money: the Canadian dollar reached its lowest ebb on the exchange market since 1962.

To cope with such a grave situation, the Canadian Government adopted a certain number of emergency measures. It raised the discount rate from 6 to 7 per cent, withdrew \$250 million from the Federal Reserve System, then, in Feb-

ruary, drew an additional \$426 million from the International Monetary Fund. At the beginning of March, the Bank of Canada obtained additional credits of \$900 million from European and American Banks which, however, it did not draw upon. In the meanwhile, as a result of negotiations with authorities in the United States, Canada was fully exempted from the control measures which were applied to the export of American funds. It was, however, understood that Canada was not to serve as an intermediary for the export of funds to other countries.

This agreement put an end to the uncertainty that reigned in our market and revived confidence in our dollar. As early as July 2, the discount rate, which had been raised to 7.5 per cent, was reduced to 7, then to 6.5 and, finally, to 6 per cent on September 3. The quick restoration of our reserves enabled us to reimburse, during the summer, the loans obtained from the Federal Reserve System and the International Monetary Fund.

The maintenance during a period of several months of exceptionally high interest rates, both on markets at home and in the United States, persuaded Quebec, and later the Federal Government, to borrow on the European market. These loans amounted to about \$500 million.

Without doubt, the European money market is too restricted for Quebec and the Federal Government especially, to find therein a substitute for the American market. Nevertheless, it offers a valuable supplementary source which must not be neglected, especially when interest rates become prohibitive on our market.

BALANCE OF PAYMENTS

The very strong pressures exerted on the Canadian dollar at the beginning of the year resulted in a movement of funds that was most unfavourable to Canada. Indeed, during the first quarter, net short term withdrawals, amounting to \$621 million, were only partially compensated for by the influx of only \$95 million in long term funds. This left a deficit of \$526 million, to which was added a deficit of \$239 million due to the balance of current accounts, bringing the total deficit to \$765 million. In the second quarter, confidence in the Canadian dollar having been restored, the movement of funds was definitely favourable to Canada and resulted in a net inflow of \$697 million in long term funds, while net withdrawals of short term funds amounted to \$80 million only.

Contrary to the United States, whose trade balance deteriorated steadily in the past year,



Canada's trade surplus with the remainder of the world has not stopped growing: it went from \$100 to \$600 million between the first quarter in 1967 and the same period in 1968. No doubt, this increase is due to some extent to temporary factors, such as in the case of steel especially, where our exports have almost doubled, and of certain other metals. But, it is also due to other more permanent factors such as the strengthening of our secondary industry which is now becoming more and more important in our export trade.

At the rate of more than a billion dollars a month, our foreign sales therefore constitute a strong factor of expansion. Nevertheless, we are still too dependent on the American market. We should endeavour to develop a broader clientele.

NEW INVESTMENTS

The upward trend in certain sectors of the economy is not pronounced enough to encourage our industrialists to increase their production potential very much. In most enterprises, the new capacities created during the period of growth are quite adequate to meet the demand.

The year which is about to end will, however, be better than 1967, if we consider the revised investment plans made at the beginning of summer. The latter amount to \$16 billion, nearly 6 per cent more than last year.

This increase, however, is far from applying equally to all sectors. One notices a considerable increase in housing, institutions and trade; on the other hand, in the manufacturing industry, construction, agriculture and trade services, there is a noticeable drop.

In the manufacturing sector, the growth of investments varies considerably from one industry to another. There is a drop of 33 per cent, for the second consecutive year, in the pulp and paper industry, where there was overcapitalization during the period of prosperity. On the other hand, new investments in the petroleum industry, chemicals and primary metals have increased, respectively, by 50, 17 and 15 per cent.

Quebec's share of the total estimated investments is only 20 per cent, and has decreased during the past few years not only compared to Ontario but also in comparison with other provinces. If investments as a whole continue to grow at a fairly satisfactory rate, it is due mainly to the intervention of public authority, for private investments, especially in the manufacturing industry, are greatly inferior to those in Ontario. Should not such a situation awaken us?

One may rejoice, however, on perceiving a certain decentralization of investments in our manufacturing industry: between 1959 and 1967 investments in the Montreal region went from \$174 million to \$208 million while in the remainder of the Province they nearly doubled, going from \$145 to \$287 million. It is to be hoped that this trend will continue. However, Montreal must not be neglected on this account. Every effort must be made to attract new investments to the Metropolis.

THE INTERNATIONAL MONETARY CRISIS

The Western World experienced a grave financial crisis this year; the American dollar came out of it rather shaken up.

To better understand the problem, it is necessary to trace its various phases. For some years now, the gold reserves of the United States have been slowly depleted as a result of a permanent deficit in its trade balance. If this deficit had been paid in gold, reserves of this metal would have been exhausted, but creditor countries accepted payment in dollars. However, the central banks could not accumulate dollars indefinitely: they had to maintain a reasonable amount of gold in their reserves. Beyond a certain threshold, which varied from one country to another, they took what they considered excess dollars and converted them into gold.

But, in spite of large withdrawals, the gold reserve in Fort Knox remained considerable and it was always believed in official American quarters that the hemorrhage would stop as soon as the balance of payments found its equilibrium.

As the Vietnamese conflict continued, this equilibrium failed to appear. In the meanwhile, there was the pound crisis. For some time now, England herself had been faced with an unfavourable trade balance. Thanks to the help of international financial bodies, she had been able to avoid devaluation. After the Israeli-Arab conflict, however, things worsened. The closing of the Suez Canal resulted in sizeable increases in the cost of transporting oil, an indispensable element in the economy of the nation. Moreover, several Arab countries considered Britain's attitude to them during the conflict as hostile and broke off diplomatic relations. Financially, this caused the withdrawal of the sterling balances kept in London by some of them.

Pressures on the pound thus became stronger. A final operation to save it was attempted, but failed. England had to accept devaluation. This was followed by considerable speculation in gold.





A pool was formed to supply the London market. The United States provided the strongest support by supplying more than half the gold. In two months, more than a billion dollars in American gold found its way to the London market. The American Government had to reduce the legal coverage of 25 per cent applicable to its own currency.

The publication of statistics pertaining to the American balance of payments did not have the effect of restoring confidence in the dollar. In fact, the deficit for 1967 reached the record figure of \$3.5 billion. To remedy this situation, the American Government passed a series of directives intended to stop the flow of funds to foreign countries. But in March, the rush on gold began anew as a result of the new troubles faced by Great Britain. Once again the Americans lost more than a billion in gold; they called all members of the pool to an emergency meeting in Washington. On March 17 the pool was dissolved; a double gold market was created. Banks alone would have access to the official market where the price would be kept at \$35. Those using gold for industrial purposes, and speculators, had to seek their supply on the free market. It was also agreed that central banks that sold their gold on the free market would no longer be allowed to purchase on the official market.

This decision offered some relief but it is evident that this is only another respite, since we have again witnessed lately a new episode of the crisis. This time, it was centred on the French Franc, the devaluation of which was generally expected, with resulting repercussions on the Pound and the Dollar. Devaluation of the Franc was barely avoided but the crisis has again shaken up the international monetary system structure, a revision of which is more urgent than ever. It is to be hoped that the Great Powers will take advantage of that respite to restore order in the monetary system, because without it no true economic progress is possible.

POVERTY IN AN OPULENT SOCIETY

For some years now, there has been talk of the problem of poverty as though society had just discovered that there were poor people in its midst.

The truth of the matter is that the people chiefly involved — the poor — were silent in the past, either because they had not been made aware of their situation, or because they did not have sufficient access to the sole means of expression then available: the press and radio.

Television has made possible a wider dissemination of information. As they see on their small

screens the pictures of the opulent society shown to them, the economically weak have been made aware of the deplorable conditions they are living in. Gradually, they have come to discover that these living conditions are due not only to the injustice of fate but are related to the more general problem of under-development.

In the United States, systematic programmes combating poverty were initiated several years ago; they coincided with the rise of the Black people's demands: if all the American poor are not Blacks, it nevertheless remains true that the highest percentage of poor people is to be found among them.

The definition that could be given of poverty is not, of course, the same in North America as in Asia: the poor man from North America would certainly be considered rich according to Asian standards. Poverty in our society is not the deprivation of the necessities of life, as the Economic Council of Canada states, but an inadequate access to some of the goods, services and living conditions which are available to everyone else.

To determine where poverty begins is no easy task, but to count the poor one must take a quantitative criterion such as income, even though such a criterion is arbitrary. According to calculations, the threshold of poverty for a family of four persons in the United States is \$3,335 in annual income and, in Canada, \$3,500. According to this definition, there would be some 26 million poor people in the United States, 8 million of whom are Black. In fact, considering the population, the percentage of poor among the White population would be 10 per cent only, whereas it would be 35 per cent in the case of the Black people.

If these figures seem enormous, they nevertheless show a marked progress over the figures collected eight years earlier. In fact, the number of persons considered poor in 1959 totalled 39 million, that is 22 per cent of the population. In spite of such marked progress, impatience is growing among the young generation of under-privileged. No doubt, this impatience has been aroused by publicity which is more and more unbridled and which has created in them needs which they cannot, and will probably never be able to satisfy.

According to official statistics, 25 per cent of non-agricultural Canadian families belonged to the category of the economically weak in 1961. This proportion, which is now no more than 20 per cent, is far from uniform throughout the country as a whole: it amounts to 45 per cent in



the Maritimes, 28 per cent in Quebec, and 19 per cent in Ontario. On the other hand, education — or rather the lack of education — is directly related to the degree of poverty: 37 per cent of the families whose head has not gone beyond grade school are below the threshold of poverty.

In the past, the fight against poverty was limited, essentially, to help in the form of allowances. For some years now, the Government has sought to enable people with a small income to help themselves. In this respect, the programme for the development of the Lower St. Lawrence and Gaspesia offers an interesting example because it appeals to techniques for the awakening of social action. In the course of countless meetings and discussions the population was invited to state its ideas, to express its desires and to formulate, with the help of experts from various fields, the five-year development programme which was sanctioned last March by an agreement between the Provincial and Federal authorities. It is to be hoped that this pilot project will serve as the basis for the creation of development programmes for the other underprivileged regions in the Province.

But special attention must be given also to the need for solving the problem of poverty in the large cities. In a city like Montreal, poverty is a particularly tragic matter. Indeed, the riches displayed in the big hotels, the restaurants and the boutiques are in marked contrast to the obsolete lodgings located nearby, in which are crowded large families that often lack the strict minimum. That is why the action undertaken by committees of citizens to improve their fate with the benevolent help of professionals — doctors, druggists and others — is most praiseworthy and should be extended to all underprivileged sectors. However, these private undertakings are inadequate without the concrete support of municipal and provincial authorities. In the area of urban renewal, the progress achieved is quite inadequate: ten, twenty, thirty "Little Burgundies" would have to be built at the same time, if our youth is to be given healthy living conditions.

There is no point in creating riches if such riches are then badly distributed. As a member of the Senate stated recently: "It is a real shame that poverty should continue while the majority of Canadians enjoy one of the highest living standards in the world."

ASSESSMENT AND ECONOMICS

After the brilliant year of Expo 67, Quebec is now facing a difficult aftermath, as I have already

pointed out: a slowing down of investments, an increase in unemployment and social conflicts.

The Exhibition enabled the Province to strengthen its substructure. In the case of the highway network, a giant leap forward was achieved; it would now be advisable to consolidate our industrial potential which, in many areas, is sadly lacking.

On the other hand, the advance publication of certain parts of the Laurendeau-Dunton Commission's Report has shown the weak hold French Canadians have on the economy of their Province. No doubt, one of the main causes of this situation in the past was the lack of interest shown by the elite in matters pertaining to economics.

A century ago most Quebecers lived on farms, in an economy where trade was done in a closed circuit. Times have changed; but minds have been slow, very slow, to adjust to the new living conditions. Economics, up to a few years ago, was a subject for the university. There is no need therefore to be surprised at the small number of "initiates."

Now, to be a full-fledged citizen, that is a citizen capable of participating efficiently in the life and evolution of the community, it is necessary to know at least the basic mechanisms of the economy. If so many school boards, municipalities and other public bodies are poorly managed, it's because those who are in command do not have adequate training in economics.

The teaching of economics should begin in the school. For the child, it is just as important to know about the functioning of the economic society in which he will have to live as to know about history and geography. Our youth must develop proper economic reflexes: this is the way to ensure they take their proper place. As one of our economists so aptly put it: "In the evolution of these last few years, it is not the results that are important but the awareness of economic reality that has ensued. This awareness by French Canadians is the indispensable condition of a sustained and efficient common effort. There is no miracle in the realm of economics; things must be built over a long period of time."

OUTLOOK

The inflationary pressures and the imbalance in payments which persist in the United States do not allow one to forecast an expansionary upswing in the near future.

Moreover, the election to the White House of a President who is conservative in outlook may

mean a return to greater orthodoxy in financial matters. During his election campaign, the future President advocated a reduction of the budget deficit. For the new group that will administer the country, balancing the budget and strengthening the position of the dollar on the external market may well supersede any other preoccupation, even at the risk of slowing down production and increasing unemployment. But confronted by a Democratic Congress, the new President perhaps will have to bide his time and soften his stand somewhat.

Whatever the case may be, even though there are not sufficient indications of a recession, as some fear, one cannot expect an upswing of the economy such as we witnessed a few years ago. And these forecasts are just as valid for Canada as for the United States, for more than ever we live in the shadow of our mighty neighbour.



VICE-PRESIDENT AND CHIEF GENERAL MANAGER'S REMARKS

As you may observe upon examining the Annual Report which you have received, our Bank's operations once again expanded at a fast rate during the last fiscal year. In the course of my remarks, I shall limit my comments to the highlights of this Report.

Revenues totalled \$93,362,121, an increase of \$20,976,455 or 29% over the previous year. Income was derived from the following sources which are listed in order of magnitude: loans, 61.7%; investments, 22.6%; other sources, 15.7%.

Expenses amounted to \$79,281,632, an increase of \$19,161,453 over the previous period, which is equivalent to 31.9%. I wish to emphasize that this amount includes the extraordinary expenses incurred to furnish new quarters in the new Head Office building and the organization of the CHARGEEX system, about which I shall have more to say later on. Interest paid to depositors represented 47.5% of expenses; salaries, pension contributions and other staff benefits 33.5%; capital expenditures 8.4%; and other operating costs, including provision for losses on loans, 10.6%.

The balance of operating revenues was therefore \$14,080,489, compared with \$12,265,487 last year. After transfer of \$3,500,000 to reserves for losses, net profits before provision for income taxes amounted to \$10,580,489, compared with \$9,665,487 the year before. After providing \$5,561,000 for income taxes, net profits for the period were \$5,019,489, compared with \$4,636,487 the previous year. This is the equivalent of 84 cents per share, compared with 77 cents in 1967.

Shareholders received \$3,480,000 in dividends, or 58 cents per share, compared with 53 cents in 1967. Total undivided profits amounted to \$986,609, after transfer of \$1,000,000 to the Rest account which now stands at \$50,000,000.

Reserves for possible losses, including the transfer of \$3,500,000 from revenue and other profits and losses during the year, reached a total of \$25,788,027 on October 31, \$4,016,067 of which are tax-paid.

Assets reached a record high of \$1,411,517,566, an increase of \$176,439,873 or 14.3% over last year. Liquid assets and quick assets represented, respectively, 10.69% and 47.08% of liabilities to the public. The portfolio of securities showed an increase of \$76,615,258, and amounted to \$409,493,196. Current loans, including mortgage loans, increased \$69,948,374, and now stand at \$761,004,725, a new high.

Farmers and the owners of small and middle-sized businesses still relied on the Bank for help



in financing their operations. Thus far, 28,055 loans amounting to \$57,002,100 have been granted in accordance with the Quebec Farm Improvement Act. This amount represents 38% of all loans granted in accordance with this Act.

Loans granted to farmers in accordance with federal and provincial laws amounted to \$25,477,590. Loans to small businesses totalled \$6,016,693. Students had the benefit of loans amounting to \$7,117,000, of which \$6,062,000 were in accordance with the Quebec Student-Scholarship Loan Act. The demand for personal loans repayable on a monthly instalment basis continued to increase. Such loans now stand at \$61,382,000.

Loans to municipalities and school boards totalled \$145,372,000, an increase of \$4,631,000 over last year. This year, loans in this category, 97% of which are in the Province of Quebec, represent 22% of the total loans granted to municipalities and school boards throughout Canada by all chartered banks.

Total deposits reached a new record high of \$1,314,898,283, an increase of \$170,845,415 with respect to last year, or 15%. However, our deposits in Canadian currency increased by 14.7%, compared with the average increase of 12.3% for all chartered banks. Of our total deposits, those coming from personal savings accounted for \$702,864,000, compared with \$606,619,000 last year, an increase of \$96,245,000 or 15.9%. Federal Government deposits rose \$16,708,000 while those of provincial governments dropped \$10,437,000. Other deposits went from \$508,371,000 to \$576,701,000, an increase of \$68,330,000.

Last year, the Bank opened a new branch at 394 Portage Street, Winnipeg, and raised the Daveluyville agency to the rank of branch. The Bank now operates 346 branches in Canada and a subsidiary in Paris.

On the other hand, the Bank closed 28 agencies because operating costs had become prohibitive.

In February, the Bank raised the life-insured benefits on regular savings accounts from \$2,500 to \$5,000. Moreover, true savings, as well as Christmas Club accounts, are now insured up to \$1,000. It must be pointed out that our Bank is the only one that offers so much protection to its depositors.

The continued progress of the Bank is due in large measure to the conscientious labour and good will of its personnel, which constitute its finest assets. The Board of Directors and Manage-

ment wish to thank the staff, who deserve such a tribute. The personnel is increasing every day, but it is not so much the number as the quality of its employees that ensures the success of an enterprise. This is why the Bank attaches special importance to the professional training and development of skills of all its employees.

Managers this year completed the training programme designed for them. It is now the turn of assistant managers to follow a similar programme which is offered at selected centres not on Bank premises. These courses, which last five days, are given to groups of about 25 participants. All subjects related to banking are presented according to the case-method. In addition to financial matters and marketing, which make up a large part of the subjects covered, emphasis is also placed on the development of human relations. We feel that the proper functioning of our enterprise is due in large measure to the confidence and esteem governing relations between employees and, especially, between the staff and the Bank's clientele.

Moreover, a training centre has been organized at Head Office to prepare employees for the various tasks they may be called upon to perform. This year, courses are given for the accountants; later on other employees will be able to come there for short training periods.

Numerous members of the personnel also attended courses organized by the Canadian Bankers' Institute. Registration more than doubled this year, going from 226 to 511, thanks to promotional work done by our training centre and also to an increase in the number of centres where such courses are given. In Quebec, l'Ecole de Commerce de Chicoutimi and Sherbrooke University have been added to the following centres: Ecole des Hautes Etudes Commerciales (Montréal), Centre des Etudes universitaires (Trois-Rivières) and Laval University (Québec).

The major innovation in banking this year was the introduction of the CHARGEX credit card. This marks the first time a credit card was issued by chartered banks in Canada. First introduced to the public on August 19, CHARGEX was a great success. Its growth has exceeded the most optimistic estimates. After its inauguration in Montreal and Toronto, the system has since been established in Quebec. February next, it will be introduced to the cities of Ottawa, Hull and Sherbrooke and will, eventually, spread across the whole of Canada. CHARGEX has already achieved international recognition. Thanks to agreements concluded with BankAmericard and BarclayCard,





the CHARGEEX card is valid in the United States, England, and even Japan.

Moreover, our Bank reached an agreement with Credico Inc. recently to integrate Credico card accounts into the CHARGEEX system. Through this arrangement, the Bank will benefit by a sizeable increase in its volume of trade.

In order to keep operations abreast of the times, the Bank retained the services of a specialized firm which, after study, suggests the changes to be made. A team, chosen from the Bank's personnel, has been formed in order to implement the recommendations of these specialists. Members of the team visit the branches and, after studying the methods used, suggest how these might be changed. This produces greater efficiency and, consequently, a decrease in the cost of operations while, at the same time, it ensures better service to the customer.

Since the demands for new methods and techniques cannot be avoided, the Bank has acquired electronic equipment for data processing. The capacity of this equipment was more than doubled in 1968. The use of computers now makes possible a large number of operations at great speed, thus reducing labour costs considerably.

A fully qualified staff, recruited entirely from among Bank personnel, enables us to use computers for various purposes. One such instance is the centralization of accounting for current accounts, a service which will be inaugurated early in 1969.

When the main branch moved into the new building, a special electronic system was installed for the direct processing of savings accounts. Customer service has been greatly accelerated thereby. At present, only the main branch is linked to this system but, eventually, other branches will be added to it.

In carrying out our renovation programme this year, the buildings housing seven branches were rebuilt while three branches were fully renovated and modernized.

Moreover, big construction and renovation projects are underway at six more locations. Plans are being drafted for similar work at seven other branches.

As the new Bank Act authorizes banks to grant conventional mortgages, our Bank is now able to offer customers a wider range of services. Thanks to an agreement with Tanyor, a subsidiary of Roy-Nat, mortgage loans in the residential sector are now granted at a much higher rate than before.

It was with great satisfaction that we took possession of our new building which houses the Head Office and the main branch. The personnel now has quarters which are more spacious and more functional. This has helped efficiency considerably. On the other hand, the branch has been arranged in such wise as to render more efficient service to an increasing clientele.

BCN imparted a special tone to the ceremonies marking the official opening of its Head Office which is, as the President stated, "the sign and the symbol of unceasing progress in the midst of a country in full expansion." And he added: "If the Bank identifies itself with the language and the culture of its founders, this must not prevent it from extending its field of operations to the Canadian provinces as a whole."

Then, in the presence of more than 2,500 customers and friends, the Prime Minister of Quebec was invited to cut the traditional ribbon marking the official opening on October 26.

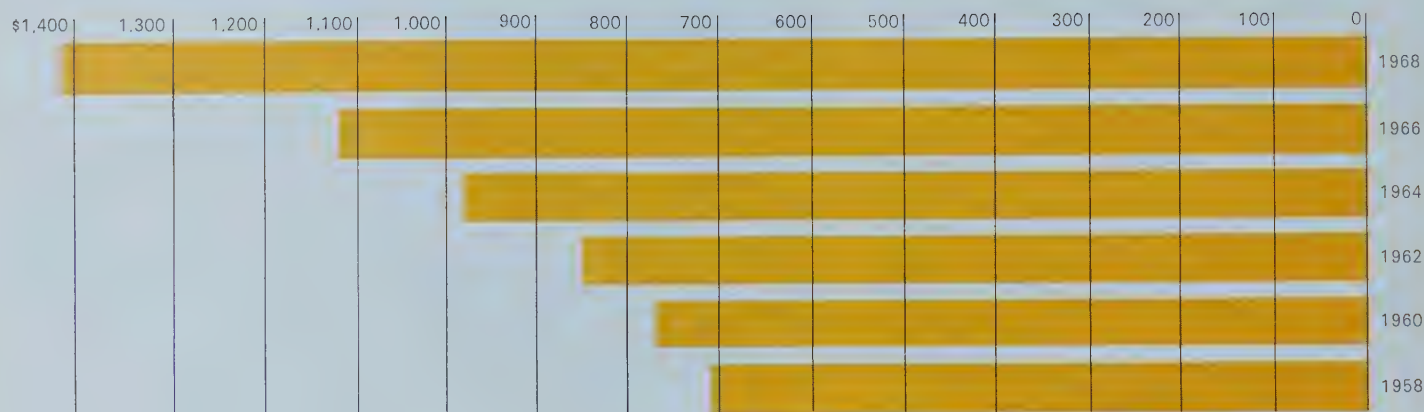
We could not very well forget the personnel, who certainly deserved to share in the happiness of that day. First, there were the pensioners, those whose labour contributed to giving the Bank the stature it has today. It was with words full of cordiality that our President welcomed them during the evening of October 26 which had been specially set aside for them. A magnificent fireworks display crowned this day which will go down as a memorable date in the history of the Bank.

The following day, Montreal area employees and their families were invited to tour the new building. They came in large numbers, displaying their enthusiasm and pride. Finally, the rejoicing came to a close as all managers and their wives, in turn, were guests of the Head Office.

The year which is drawing to a close will have been an important milestone on the road to success. These noteworthy achievements: the move into an impressive new Head Office, the modernization of our methods, the training and improvement of management personnel, the launching of CHARGEX—all are promising signs of even greater things to come.

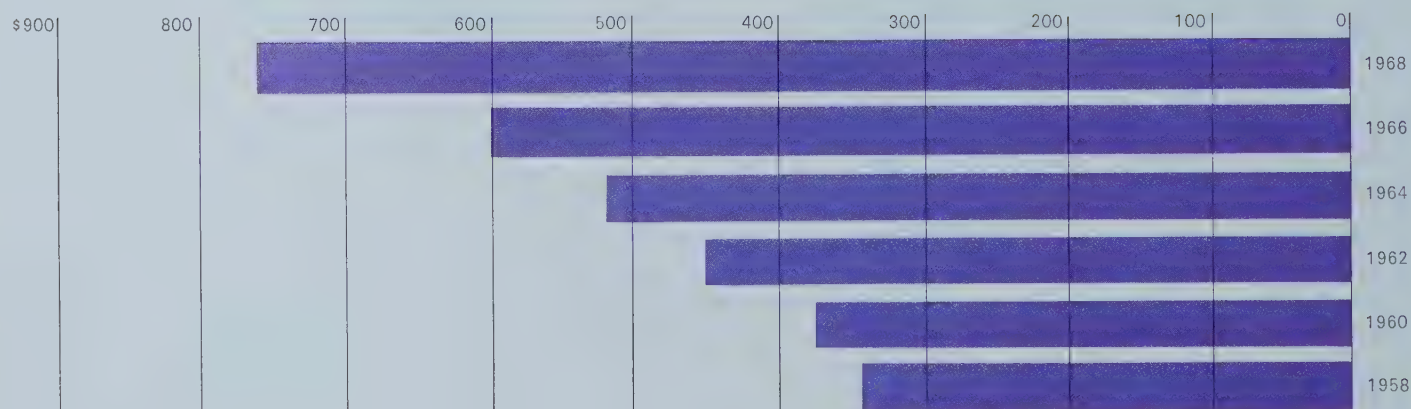
ASSETS

(in millions)



CURRENT LOANS

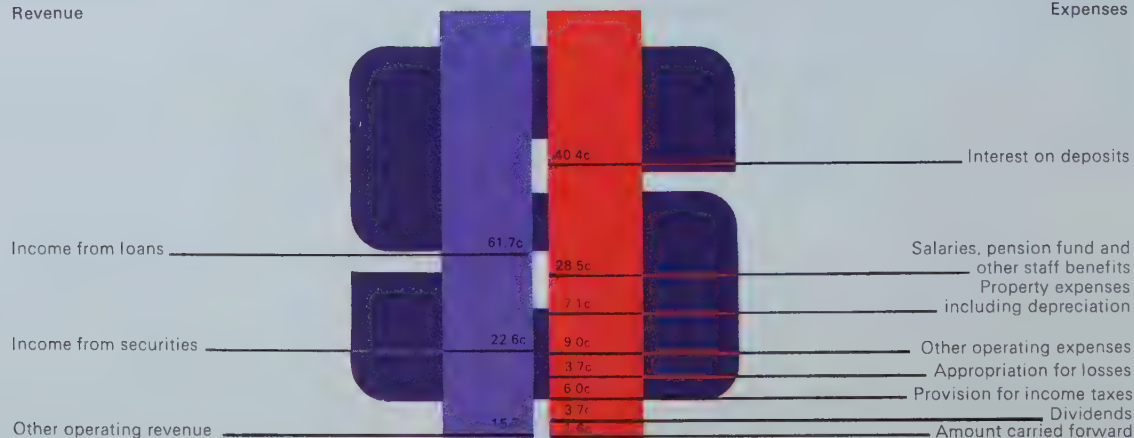
(in millions)



RETURN SHOWING THE SOURCE AND UTILIZATION OF THE DOLLAR

Revenue

Expenses



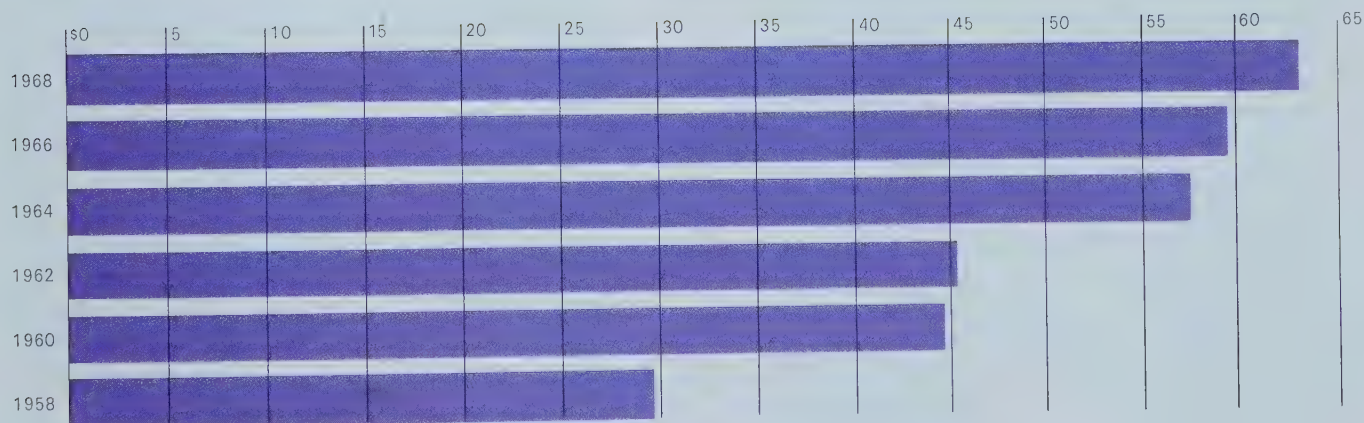
DEPOSITS

(in millions)



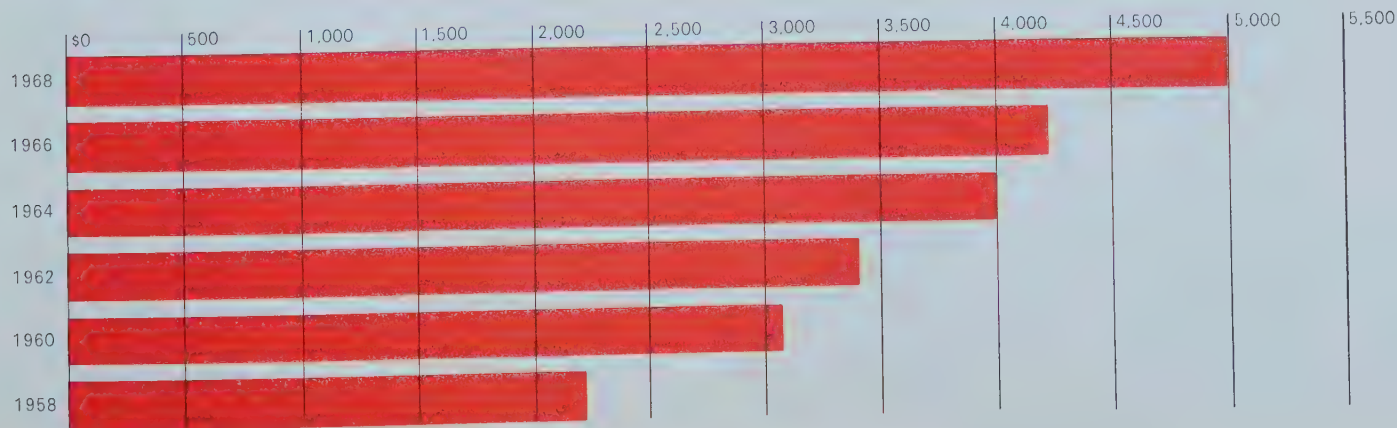
CAPITAL, RESERVE, PROFITS

(in millions)



NET PROFITS

(in thousands)



AMONG THOSE PRESENT
AT THE MEETING WERE:
ENTRE AUTRES:

Messrs.	Marcel Allard Claude Allaire Jacques Ancil Georges Arpin Joseph Maurice Arpin	Messrs.	J. Arthur Boyer J. Roméo Boyer F. Philippe Brais, Q.C. Alexandra Brasseur Marie Jeanne B. Brault	Mrs. Mr. Miss Messrs.	Bernadette C. Cousineau Gérard Cousineau Louise Cousineau André Coutu Alex Couture Irénee Couture O. Couture Roger Couture Etienne Crevier Jean Paul Cyr George A. Daly Charles Henri D'Amour Paul Dansereau Lionel Daoust J. L. Davignon Marie De Bellefeuille Jean Guy Décarie Laurent Décarie, Notary Olivier Décary Rita Décary Irène DeCoste Henri de Lanauze Mrs. Henri de Lanauze Mr. Robert DeLeeuw Mrs. Suzanne G. DeLeeuw Messrs. R. Valmore Delisle Guy Delorme Alfred Demers Maurice De Palma, C.A. Jules Derome Roger DeSerres Jean Paul Desjardins Yvan Desjardins, Notary Carmélia Desnoyers Mr. Joseph Paul Desrochers Miss Lucia Desrochers Messrs. Marcel Desrochers, Eng. Joseph DesRoches Mrs. Anne Marie M. Desrosiers Messrs. J. D. Desrosiers Victor Desrochers Marc H. Dhavernas Claude Dieumegarde Mrs. Marguerite E. Dionne Messrs. George T. Donohue Jacques Douville Gérald Dubois Roger Dubois Robert Dubreuil Germaine Ducharme Messrs. Jean Duchesneau Yvon Dufour Alphonse O. Dufresne Cyrille Dufresne Mrs. Louise L. Dufresne	Messrs.	Roger Dufresne J. A. Dulude Hubert Dunn Marc C. Duplessis C. M. Dupras Georges Dupuis Yves Dupuis Thérèse Duranceau Mrs. Paul Aimé Durivage Miss Germaine Dussault Messrs. Charlemagne Duval Gaston Elie J. Jacques Elie Raymond Ferland Claude Ferron Henri Ferron, C.A. René Ferron Antonio Fiset Guy Foisy Christian R. Fontaine Lionel Fontaine Mrs. Thérèse D. Fontaine Messrs. Martin Forest Donat Fortin Mrs. Fidélia B. Fournier Messrs. Léonel Fournier Jean Paul Francœur G. A. Fréchette Mrs. Yvette Gadbois Annie B. Gagnon Misses Charlotte Gagnon Isola Gagnon Mr. J. A. Gagnon Mrs. J. A. Gagnon Léone P. Gagnon Miss Marthe Gagnon Mr. Paul A. Gagnon Mrs. Anita G. Gaudet Messrs. Justin S. Gauthier Rosario Genest, Q.C. André Gervais, C.A. Maurice Gervais Gérard Gignac Mrs. Juliette M. Gilbert Messrs. Lionel Gingras J. N. Gosselin Mrs. Lucia G. Goyette Messrs. J. Parfait Gravel Norman Greendale Jacques Grégoire Gaspard Guay Lucien Guay Henri N. Guilbault Eva Guilbeault Miss Jean Louis Guimond
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Misses	Rita Guindon Thérèse Hay	Messrs.	René Lavergne Roméo Lavigne	Messrs.	Jacques Métayer Ed. Michaud	Messrs.	André Robichaud Jean Robin
Mr.	Louis Hébert	Miss	Anna Lavigueur		Bernard Millette	Mrs.	Jean Rolland
Mrs.	Simone L. Hébert	Messrs.	Lucien Lebeau Jules Leblanc Paul Leblanc	Miss	Marcel Milot	Messrs.	Paul Emile Rousseau Lucien Routhier
Messrs.	Jean Louis Henrichon R. H. Houde Neil A. Houston Raymond Hurtubise Jean Interlino Maurice S. Jarry Claude Jasmin Pierre Jean Ubaldo Jolicœur	Miss	Hélène Leclair	Mr.	Alice Mingam		Jean Paul Roy
		Mr.	René Leclerc	Mrs.	Noël Mireault		Renault St. Laurent, Q.C.
		Mrs.	Jeanne G. Leclerc	Mrs.	Marie M. Monat		Rodrigue St. Onge
		Messrs.	Marcel Lecours Hughes Ledoux	Messrs.	Jean Monty Luc Morin		Armand St. Pierre
		Mrs.	Alice Leduc	Mrs.	Yvonne Saint Jean Morin	Mrs.	Oscar St. Pierre
		Messrs.	L. Philippe Leduc J. E. Ulric Lefebvre	Messrs.	Ben Myers Albert Naud, Notary Paul Normand Jean Hughes Ostiguy		Oscar St. Pierre
Mrs.	Jeannine M. Jover				Henri Ouimet		Simonne P. Savoy
Mr.	A. Arthur Kay	Mrs.	Yvette C. Lefebvre		Robert Ouimet	Messrs.	Germain Salois Gilles Salois
Mrs.	Berthe L. Kéroack Amanda D. Labelle	Messrs.	Paul Emile Lefort Claude Lemay Archibald Lemieux Robert Lemieux Yvette Lemieux		Roger Paradis J. L. Paré Paul Paré René Paré	Miss	Irénée Sicard
Mr.	Denis Labrecque	Miss	Bernard Lemoine	Mrs.	Florence L. Payette	Messrs.	Georgette Sigman Pierre Simoneau
Mrs.	Germaine Labrecque	Messrs.	Jean Lépine Jean Luc Lépine Marc Leroux, Notary Raymond Leroux Louis Philippe Letarte Robert Letellier J. Arthur Létourneau Nathan Letovsky J. A. Lévesque J. Louis Lévesque	Messrs.	Raymond Payette Denys Pelletier, Notary Edmond Pelletier Gaston Pelletier Châteauguay Perrault, Q.C. Jean Julien Perrault	Messrs.	Yvon Sirois, C.A. Arnold Slater David Soucy
Messrs.	Marguerite B. Labrosse Urbain Lacasse J. Henri Lachance R. Olier Lafond, Eng. J. Armand Lafrenière O'Neil Lafrenière Joseph Lagacé, Jr.			Miss	Myreille Perrault	Miss	Gertrude Soulard
				Messrs.	Germain Perreault Fernand S. Picard	Messrs.	Frank Spénard J. Gibb Stewart
Mrs.	Rachel D. Lagacé			Miss	Thérèse Pichette	Mrs.	Gertrude M. Talbot
Messrs.	J. Warren Laing Wilfrid Lalonde Lambert Lamarche, Notary Roger Lamarche Marc Lamarre	Mrs.	Pauline C. Lévesque	Messrs.	Robert Pigeon René Plamondon	Messrs.	Marcel Talbot Lucien Tessier P. Marcel Therrien Jacques Thibaudeau
Mrs.	Monique L. Lamarre	Mr.	Claude Lorange	Miss	Thérèse F. Plamondon	Miss	Madeleine Thibaudeau
Miss	Jeanne Lambert	Mrs.	Thérèse Loslier	Messrs.	Benjamin Poirier	Messrs.	Pierre A. Thibaudeau Lionel Thibaudeau
Messrs.	Paul Lambert Roger Lamontagne Gilberte Lamoureux Bernadette Landry Gilberte Landry	Messrs.	Yves Loslier Georges Lussier Ginette Lussier	Mrs.	Georgette B. Poirier	Mrs.	Alfred Tourigny, Q.C.
		Miss	Jean Luc Lussier	Messrs.	J. E. Poirier		Robert Tousignant
Messrs.	J. A. Landry Lionel Langevin Roland Langevin Jean C. Lanoix Aimé Lapierre Aimé Laplante	Messrs.	Robert Maheu J. Hector Mallette Paul Malo Louis Maltais Antoinette L. Marchand	Mrs.	Marcel Poirier Louis de G. Ponton Normand Poudrette Pauline G. Poudrette	Mrs.	André Tremblay J. R. Tremblay
		Mrs.	F. M. Marcotte Jean Marion Gérard Marois Anatole Martel	Messrs.	Paul Poulin Léon Poupart Raymond Poupart R. Poupart	Mrs.	Madeleine Tremblay Florence G. Trudel
Mrs.	Jeannette L. Laplante			Mr.	J. Wallace Powell	Mr.	Jules O. Trudel
Mr.	Claude Laporte	Miss	Gabrielle Martel	Mrs.	Alfred Proulx	Mrs.	Rolande M. Vaillancourt
Miss	Claudine Laporte	Mr.	Charles A. Martin	Mrs.	Denis Quintal, D.D.S.	Messrs.	Vianney Vaillancourt François Veilleux
Mrs.	Gilberte B. Laporte	Mrs.	Claire L. Martin	Messrs.	Thérèse D. Quintal		Ludger Venne
		Miss	Josée Massé		Claude Racicot	Mrs.	Gérard Vézina
Messrs.	Jeannette B. Laprade Lionel Laprade Pascal Laquerre	Messrs.	Guy Massicotte Robert Matteau	Mrs.	Paul Raymond, Q.C.	Messrs.	Jeannette L. Vézina Roger Viau
Miss	Laurette Larochelle			Mr.	Robert Renaud	Mrs.	Philippe Vincent
Mr.	André Latreille	Mrs.	Anna B. Mercille	Mrs.	Jean Paul Rhéaume	Mrs.	Thérèse L. Vincent
Miss	Mercédès Laurence	Mr.	Louis S. Mercille		Pierre Rhéaume Ferruccio Rinaldi	Messrs.	Peter W. Westaway Gérard White, C.A.
						Mrs.	Claire Yale

RECORD OF PROCEEDINGS

Record of proceedings of the Ninety-fourth Annual General Meeting of the shareholders, held at the Bank's Head Office, Place d'Armes, Montréal, on Thursday, 12th December, 1968, at eleven o'clock in the morning.

It was moved by Mr. F. Philippe Brais, seconded by Mr. Aristide Cousineau, unanimously resolved that Mr. Louis Hébert be appointed Chairman, and Mr. Yvan Desjardins Secretary of the meeting.

The Chairman welcomed the shareholders to this first annual assembly held in the new Head Office building, and declared the meeting opened. The Secretary read the notice calling the shareholders' meeting, as published in the newspapers, and certificates attesting that the following documents had been forwarded to every shareholder, within the prescribed time, according to law : a) Notice of Meeting ; b) a form of proxy ; c) Statement recording the attendance of the Directors at Board Meetings ; d) a copy of the Shareholders' By-laws in force on July 1st, 1968, as well as the text of Article 17 of the Bank Act (1967), and e) a copy of the Record of proceedings at the Annual General Meeting held on December 14, 1967.

The Record of proceedings at the Ninety-third Annual General Meeting having been mailed to every shareholder, as evidenced by the certificate just read, it was moved by Mr. Oscar St. Pierre, seconded by Mrs. Simonne P. Savoy, that this Record of proceedings be adopted as read and confirmed.

The motion was carried unanimously by the shareholders.

On motion by Mr. Jean Julien Perrault, seconded by Mr. André A. Audette, it was unanimously resolved that Messrs. Denys Pelletier and Irénée Sicard be appointed as scrutineers.

The Chairman then called upon the General Manager

to read the Ninety-fourth Annual Report of the Board of Directors. (Please see Page 17).

Following Mr. Leclerc's remarks, Mr. Hébert then delivered the President's Address. (Please see Page 5).

After the Chairman had invited comments from those attending, Mrs. André Brosseau moved, seconded by Mr. Roger Dubois, that the meeting unanimously approve the Ninety-fourth Annual Report of the Board of Directors as read and explained. This motion was so resolved.

Mr. Robert Dubreuil then rose to call attention to the fact that the Annual General Meeting was being held for the first time in the new Head Office. "With the permission of this meeting," he said, "I would like to express the feelings of all the shareholders by saying how proud and happy we are, not only for the successful results of the past year, but also for this magnificent and prestigious building which today looms over Old Montreal and carries the name of our Bank to new heights."

Then, seconded by Mr. Léopold Bernier, who described himself as "a long-time citizen of Place d'Armes", he moved that the meeting express its warm thanks to the Directors for this important achievement, and to express their complete satisfaction with the results of the financial year just terminated.

This resolution received the unanimous approval of the meeting. Mr. Louis Hébert, speaking for all members of the Board of Directors, thanked Messrs. Dubreuil and Bernier for their kind words, and the shareholders for their support.

On motion by Mr. Jean Bruchési, seconded by Mr. Lambert Lamarche, it was proposed ; That the shareholders express their appreciation and sincere thanks to the General Manager, Mr. René Leclerc, his colleagues, and all personnel, for their loyal service to the Bank and its clientele during the past financial year.

After this resolution was unanimously adopted, Mr. René Leclerc thanked the movers and the shareholders, personally and on behalf of all the Bank's employees.

The scrutineers reported that 461,396 shares were present, and 2,662,117 were represented by proxy at the meeting, for a total of 3,123,513 shares, or 52.06% of the capital stock.

On motion by Mr. Lucien Brosseau, seconded by Mr. A. A. Cameron, it was unanimously resolved that Mr. Jean Lacroix, C.A., and Mr. Frank T. Denis, C.A., be appointed auditors for the financial year ending October 31, 1969, and that their remuneration be set at a total amount of \$35,000, to be divided between them according to the time devoted by each to the affairs of the Bank.

It was moved by Mr. Maurice De Palma, seconded by Mr. Lionel Daoust: That Mr. Louis Hébert, or any other Director the Board may appoint, be authorized to act as attorney or proxy of the Banque Canadienne Nationale at any and all meetings of the shareholders of Banque Canadienne Nationale (France).

It was moved by Mr. Marc Leroux, seconded by Mr. J. Guy Décarie: That Mr. Louis Hébert, or any other Director the Board may appoint, be authorized to act as attorney or proxy of the Banque Canadienne Nationale at any and all meetings of the shareholders of the Compagnie Immobilière BCN Ltée.

The meeting adopted these two resolutions unanimously.

Mr. Romuald Bourque moved, seconded by Mr. Raymond Hurtubise: That the undernamed shareholders be

elected Directors of the Bank, and that one ballot be cast evidencing the decision of the Meeting:

MR. J. JACQUES BEAUCHEMIN	MR. MARC H. DHAVERNAS
MR. WILBROD BHERER, Q.C.	MR. GEORGE T. DONOHUE
MR. JOSEPH BLAIN, Q.C.	MR. GASTON ÉLIE
MR. F. PHILIPPE BRAIS, Q.C.	MR. HENRI FERRON, C.A.
MR. ANDRÉ CHARRON, Q.C.	MR. LOUIS HÉBERT
MR. MAURICE CHARTRÉ, C.A.	MR. RENÉ LECLERC
MR. GEORGES O. CLERMONT	MR. HENRI OUMET
MR. ARISTIDE COUSINEAU	MR. JEAN RAYMOND, Q.C.
MR. ÉTIENNE CREVIER	MR. RENAULT ST. LAURENT, Q.C.
MR. GEORGE A. DALY	MR. ALFRED TOURIGNY, Q.C.
MR. ROGER DESERRES	MR. GÉRARD WHITE, C.A.

This motion having been unanimously carried, the scrutineers received the ballot from the Secretary and presented the following report:

The undersigned scrutineers at the Ninety-fourth Annual General Meeting of the shareholders of the Banque Canadienne Nationale, held at the Head Office in Montréal, December 12, 1968, declare that they have examined the ballot which had been handed to them and that the shareholders who have been nominated are elected Directors of the Bank.

DATED AT MONTREAL, December 12, 1968.

(signed) DENYS PELLETIER
IRÉNÉE SICARD

The scrutineers' report was unanimously confirmed, and at the request of the Chairman the Secretary then presented the newly elected Directors to the shareholders.

THE MEETING THEN ADJOURNED

At a meeting of the Board of Directors, held immediately after the shareholders' meeting, Mr. F. Philippe Brais was elected Chairman of the Board, Mr. Louis Hébert was elected President of the Bank, and Messrs. Aristide Cousineau, George T. Donohue, René Leclerc, Henri Ouimet and Jean Raymond were elected Vice-Presidents.

REVENUE, EXPENSES AND UNDIVIDED PROFITS

for the financial year ended October 31, 1968

REVENUE	1968	1967
Income from loans	\$57,613,703	\$43,986,572
Income from securities	21,121,879	15,499,152
Other operating revenue	14,626,539	12,899,942
Total revenue	<u>\$93,362,121</u>	<u>\$72,385,666</u>
EXPENSES		
Interest on deposits	\$37,680,645	\$25,641,778
Salaries, pension contributions and other staff benefits	26,563,130	22,551,835
Property expenses, including depreciation	6,645,234	4,922,394
Other operating expenses, including provision for losses on loans based on five-year average loss experience	8,392,623	7,004,172
Total expenses	<u>\$79,281,632</u>	<u>\$60,120,179</u>
Balance of revenue	\$14,080,489	\$12,265,487
Appropriation for losses	3,500,000	2,600,000
Balance of profits before income taxes	\$10,580,489	\$ 9,665,487
Provision for income taxes relating thereto	5,561,000	5,029,000
Balance of profits for the year	\$ 5,019,489	\$ 4,636,487
Dividends	3,480,000	3,180,000
Amount carried forward	\$ 1,539,489	\$ 1,456,487
UNDIVIDED PROFITS		
Balance at beginning of year	447,120	990,633
Transferred from Rest account	\$ 1,986,609	\$ 2,447,120
Balance at end of year	<u>\$ 986,609</u>	<u>\$ 447,120</u>
REST ACCOUNT		
Balance at beginning of year	\$49,000,000	\$47,000,000
Transferred from undivided profits	1,000,000	2,000,000
Balance at end of year	<u>\$50,000,000</u>	<u>\$49,000,000</u>

ACCUMULATED APPROPRIATIONS FOR LOSSES

for the financial year ended October 31, 1968

	1968	1967
Accumulated appropriations at beginning of year:		
General	\$17,996,862	\$16,289,433
Tax-paid	3,880,479	3,915,181
	<u>\$21,877,341</u>	<u>\$20,204,614</u>
Add:		
Appropriation from current year's operations	3,500,000	2,600,000
Loss experience on loans less provision included in other operating expenses (net credit)	584,522	156,708
Other profits, losses and non-recurring items, net.	37,910	60,705
	<u>\$25,999,773</u>	<u>\$23,022,027</u>
Deduct:		
Profits and losses on securities, including provisions to reduce securities other than those of Canada and a province to values not exceeding market	211,746	1,144,686
Accumulated appropriations at end of year	<u>\$25,788,027</u>	<u>\$21,877,341</u>
General	\$21,771,960	\$17,996,862
Tax-paid	4,016,067	3,880,479
	<u>\$25,788,027</u>	<u>\$21,877,341</u>

STATEMENT OF ASSETS AND LIABILITIES

as at October 31, 1968

ASSETS	1968	1967
Cash and due from banks	\$ 84,495,468	\$ 83,117,477
Cheques and other items in transit, net	56,849,088	59,456,056
	<u>\$ 141,344,556</u>	<u>\$ 142,573,533</u>
Securities issued or guaranteed by Canada, at amortized value	239,088,083	224,108,997
Securities issued or guaranteed by a province, at amortized value	65,769,564	37,374,814
Other securities, not exceeding market value	104,635,549	71,394,127
Day, call and short loans to investment dealers and brokers, secured	71,975,154	45,202,779
	<u>\$ 622,812,906</u>	<u>\$ 520,654,250</u>
Other loans, including mortgages, less provision for losses	761,004,725	691,056,351
Bank premises at cost, less amounts written off	18,181,207	14,366,370
Securities of and loans to a corporation controlled by the Bank	3,649,500	3,749,500
Customers' liability under acceptances, guarantees and letters of credit, as per contra	5,034,763	4,657,761
Other assets	834,465	593,461
	<u>\$1,411,517,566</u>	<u>\$1,235,077,693</u>

LIABILITIES	1968	1967
Deposits by Canada	\$ 18,923,559	\$ 2,215,861
Deposits by a province	16,409,689	26,846,194
Deposits by banks	13,431,873	13,465,853
Personal savings deposits payable after notice, in Canada, in Canadian currency .	702,864,434	606,618,972
Other deposits	563,268,728	494,905,988
	<u>\$1,314,898,283</u>	<u>\$1,144,052,868</u>
Acceptances, guarantees and letters of credit	5,034,763	4,657,761
Other liabilities	2,809,884	3,042,603
Accumulated appropriations for losses	25,788,027	21,877,341
CAPITAL:		
Authorized : 12,500,000 shares of \$2.00 each — <u>\$25,000,000</u>		
Paid up : 6,000,000 shares of \$2.00 each	12,000,000	12,000,000
Rest account	50,000,000	49,000,000
Undivided profits	986,609	447,120
	<u>\$1,411,517,566</u>	<u>\$1,235,077,693</u>

Note — The above statement includes the assets and liabilities of Banque Canadienne Nationale (France), a subsidiary of the Bank.

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the statement of assets and liabilities of the Banque Canadienne Nationale as at October 31, 1968 and the statements of its revenue, expenses and undivided profits, accumulated appropriations for losses and rest account for the financial year ended on that date. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the financial position of the Bank as at October 31, 1968, and its revenue, expenses, undivided profits, accumulated appropriations for losses and its rest account for the financial year ended on that date.

JEAN LACROIX, C.A.
of Samson, Bélair, Côté, Lacroix et Associés
FRANK T. DENIS, C.A.
of Peat, Marwick, Mitchell & Co.

}
Auditors

Montréal, November 19, 1968

COMPAGNIE IMMOBILIÈRE BCN LTÉE

Statement of Assets and Liabilities as at October 31, 1968

ASSETS

Cash in bank	\$ 18,989
Real estate and rights in an emphyteutic lease, less depreciation	3,651,816
	<u>\$ 3,670,805</u>

LIABILITIES

Loan from Banque Canadienne Nationale	\$ 1,650,000
Provision for income taxes	2,080
Capital stock authorized and issued: 20,000 shares of \$100 each	\$ 2,000,000
Undivided profits	<u>18,725</u>
	<u>\$ 3,670,805</u>

Note — The Banque Canadienne Nationale owns the entire capital stock of Compagnie Immobilière BCN Ltée, with the exception of the directors' qualifying shares. This capital stock is carried on the books of the Bank at \$1,999,500.

AUDITORS' REPORT TO THE SHAREHOLDERS

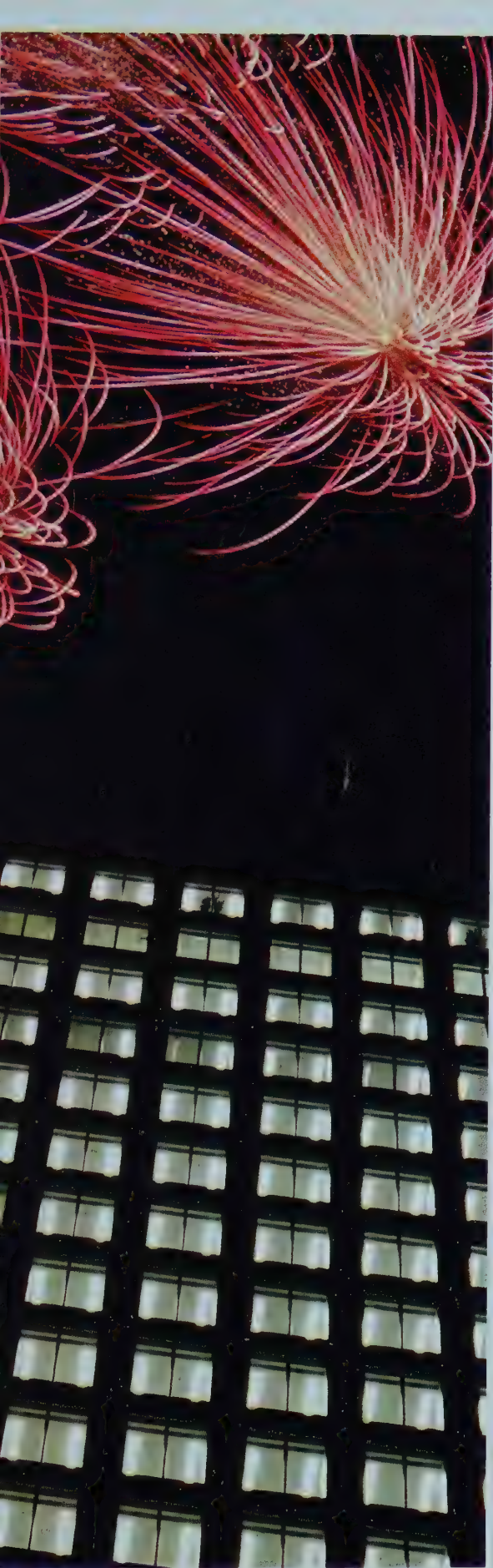
We have examined the above statement of assets and liabilities as at October 31, 1968, and compared it with the books and accounts of the Compagnie Immobilière BCN Ltée.

We have obtained all the information and explanations we have required and, in our opinion, the above statement is as shown by the books of the Company and presents fairly the financial position of the Company as at October 31, 1968.

JEAN LACROIX, C.A.
of Samson, Bélair, Côté, Lacroix et Associés
FRANK T. DENIS, C.A.
of Peat, Marwick, Mitchell & Co.

} Auditors

Montréal, November 19, 1968



A DAY TO REMEMBER OCTOBER 26, 1968

"Between the past
where our memories are,
and the future
where our hopes are,
lies the present,
where our duties are." (Ozanam)

This was an historic day, and a proud day, for BCN. On the last Saturday in October, just five days before the Bank announced the results of the most successful year in its financial history, Jean Jacques Bertrand, Prime Minister of Quebec, cut the symbolic ribbon and officially opened the towering Édifice Banque Canadienne Nationale, in which our Head Office and main branch are now housed.

The ceremonies got underway at 2 p.m., in a happy and festive mood, as Messrs. F. Philippe Brais, Louis Hébert and René Leclerc welcomed the guests of honour. Then the 30 charming, lavender blue clad BCN hostesses, all chosen from the Head Office and main branch staffs, guided the more than 2,500 invited guests to their places. They filled the huge main floor and overflowed to the 29th floor, where closed circuit television had been set up to show the ceremonies.

During the ceremonies, Mr. Bertrand, Mr. Hébert and Mr. Leclerc delivered eloquent addresses. Msgr. Paul Grégoire, Roman Catholic Archbishop of Montreal, and the Right Rev. R. K. Maguire, Anglican Bishop of Montreal diocese, pronounced the benedictions.

Since Montreal Mayor Jean Drapeau was absent in Europe at the time, he was represented by Jean Labelle, member of the city's executive committee, who started the unique digital clock in the imposing main lobby. This unit is linked to the Métro's master clock, and Mr. Labelle reminded the gathering that it was the BCN which had donated the time control centre and the clocks installed above the subway platforms.

The Vice-President and General Manager, Mr. Leclerc, then read a letter from Mayor Rayburn Bertrand of Lafayette, Louisiana, declaring Mr. Hébert an honorary citizen of that city of the Acadians.

Then, after the ribbon cutting ceremony, Mr. Hébert acted as the genial cicerone to show the Prime Minister and other guests of honour some more striking features of the new building before taking them to the 29th floor where a delicious buffet awaited them. This was only the first in a series of receptions during which the Bank welcomed some 7,000 people.

The Bank's shareholders were also invited to attend the official opening celebrations, along with our friends and our friendly competitors from the financial world.

During the evening of opening day, the President held a reception for former Bank employees who had devoted a part of their life to make this proud moment possible. More than 500 came, reacting with youthful enthusiasm and excitement as they were shown about the ultra-modern Head Office quarters, then on to the 29th floor.





They also delightedly took part in the recording of the radio programme "Chez Miville" which is co-sponsored each week by Banque Canadienne Nationale. They listened to, and even sang, for the first time the new BCN advertising jingle.

Then, after the President spoke a few words recalling the "past where our memories are" to the old employees, a giant fireworks display was launched from the roof of the 32-storey building, enlivening the skies over Old Montreal with a symphony of sound and colour. As the final rocket flared and died, hundreds of automobile horns below blared in a final salute to what the Vice-President and General Manager had so often referred to as "this great day."

The following day, Sunday, October 27, from 10 a.m. until 11 p.m. was "family day" for all BCN employees. Mr. Hébert, the Bank's President, had even been thoughtful enough to name each of the children in the invitations sent to their parents, a much appreciated touch. Almost 2,000 came, flowing in a steady stream from the main floor to the 30th, then to the sixth, where all passed by the offices of the President and of the Vice-President and General Manager.

Kindling the youngsters' enthusiasm even more were the dishes of chocolates and candies displayed everywhere — a dream come true of a candy store where you don't have to pay!

During the afternoon, the President kept coming back to see if the youngest kiddies, whom he called "our managers of the year 2000!" were being kept well amused in the little nursery which had been fitted out for them, complete with a clown, a magician, balloons and even feeding bottles. An apt scene of "the future where our hopes are."

Tuesday, Wednesday and Thursday of the week following the official opening, the Bank entertained some of its many customers. Not all, of course, since their numbers made this impossible, but various groups of business or professional people, industrialists and financiers. Like the other guests, they visited points of interest in the Head Office building, guided by the lovely hostesses with the "BCN smile" before being welcomed at a reception by management officials. These guests represented countless customers of the Bank, not only in Montreal, but throughout the province, all Canada and abroad. "The present where our duties are."

Finally, on November 9, all the BCN managers from St. Boniface, Manitoba, to Paris as well as points in between spent the day with us along with their wives to end this sparkling official opening.

"Committed with us in our present tasks," said Mr. Hébert, "our managers in a way are a tribute to our past and also represent, with their staffs, wherever we are, the future toward which we resolutely engage ourselves to work."

The visit concluded with a reception and dinner where all the managers had an opportunity to meet management people. Afterwards, Mr. Hébert received a truly moving ovation during which the 900 people present displayed their admiration and affection.

In place of a fireworks spectacular launched from the peak of the soaring skyscraper on Place d'Armes, the guests were treated to some sparkling and rapid-fire repartee by Denise Filiatrault and Dominique Michel, the brilliant team of the comedy show "Moi et l'autre", with music and dancing topping off this final lively evening.





1. While parents tour the new Head Office, employees' children are well looked after.

2. Honorable Jean Jacques Bertrand cuts the traditional ribbon, held by BCN President Louis Hébert.

3. Opening Day guests filing through Place d'Armes entrance pass by a *Garde Franche de la Marine*.

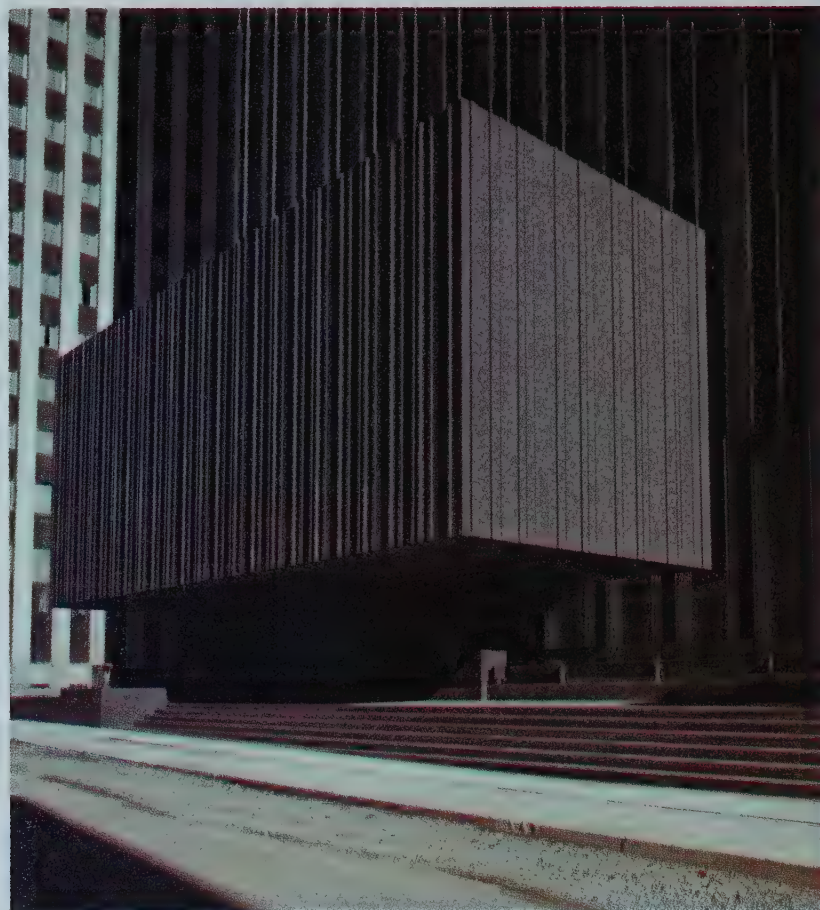
4. Mayor Drapeau's representative Jean Labelle addresses the guests. Seated are (left to right) : F. Philippe Brais, Q.C., Chairman of the Board; Mrs. J. J. Bertrand; Louis Hébert, President of the Bank; Mrs. Hébert; the Right Rev. R. K. Maguire, Anglican Bishop of Montreal; and His Excellency Msgr. Paul Grégoire, R.C. Archbishop of Montreal.

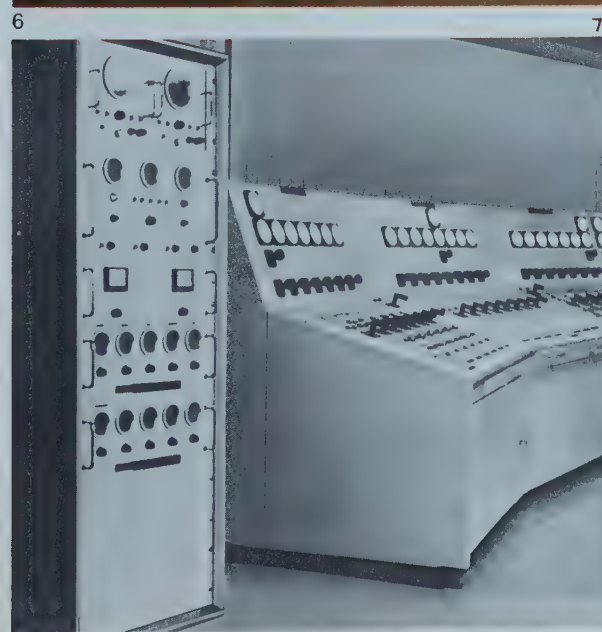
5. Guests of honour listening to President Louis Hébert.

6. Visitors stop to admire scale model of Banque Canadienne Nationale Building with Place d'Armes and surrounding buildings.

7. Smiling BCN hostesses, all from the Bank's personnel, gracefully welcomed and expertly guided visitors throughout opening week festivities.







1. First of its type in the world, this 3,000-ton, two-level vault, suspended in mid-air, rests on two pillars and is connected to the main building by a narrow two-storey passage.

2. Giving access to the Main Branch first level vault, this 27-ton steel door is electronically controlled. Like the second level door, it keeps vault safely and hermetically shut.

3. Executive Dining Room on 30th floor. Diners have panoramic view of St. Lawrence River and Seaway, the Harbour and Old Montreal.

4. Current Accounts section of the Main Branch, at street level. This corner of the BCN Building occupies the site chosen by the founders of the Bank almost a Century ago.

5. Part of the modern Data Center where clearing and an ever increasing number of bank operations are dealt with in seconds instead of hours.

6. Looking across Main lobby through the glassed-in colonnade, at sunrise.

7. Time Control Centre donated by BCN to Montreal's Métro. The Centre was part of Swiss Exhibit at Expo 67.

 Banque Canadienne Nationale

CHARGEEX



SIGNATURE(S)

G RAYMOND

EXPIRATION ▶ 08 00

321 123 123 123

THE ALL-PURPOSE CREDIT CARD

The financial year just ended has been a memorable one for BCN, on many counts. 1968 was a year of growth unprecedented in the Bank's history. It marked the opening of the imposing new Head Office building. Also, it saw the launching of a credit card plan of widening scope, with international recognition. It was an active, and highly successful, year which saw several BCN teams busily at work on several fronts at once.

The heading on this page will strike a familiar chord with you, because you've seen it in newspapers, heard it countless times on radio and television. It's the slogan of CHARGEEX, the trend-setting new credit card plan which BCN helped to introduce this past year.

Your Bank takes justifiable pride in the launching of the BCN-CHARGEEX Credit Card. The CHARGEEX system, benefiting markedly from the experiences of similar plans which have sprung up since the last war, is today Canada's largest, and one of the most efficient in the world. CHARGEEX has been set up by four of Canada's great banks, all pulling together and pooling their skills to ensure its resounding success. You get some idea of its size when you consider that the BCN-CHARGEEX Centre alone has 128 people, including salesmen, and occupies a complete floor in a building on St. Antoine Street. This staff has about 30 computers and accounting machines at its disposal. Impressive as it is, this BCN-CHARGEEX Centre is just the beginning. Countless other people are involved in each BCN branch, in Montreal, Toronto, Quebec, Sherbrooke and Ottawa — managers, assistant managers, accountants and staff. Add to these the efforts of various Head Office employees, the credit departments, advertising and public relations, and you begin to get an inkling of the tremendous amount of activity involved in launching a system of this magnitude in the short span of 10 weeks this past summer.

During that brief period everyone, in Head Office and branches alike, worked hand-in-hand with sales and service teams to set up the necessary organization. Merchants had to be signed up, preparations made to distribute credit cards and the BCN-CHARGEEX Centre made ready to function smoothly and without a hitch by the morning of August 19, the target date for the simultaneous launching in Montreal and Toronto. As you would expect, Banque Canadienne Nationale signed up the most merchants in the Montreal area.

Distribution of credit cards was a key part of the entire operation, and with any end to the postal strike still very much up in the air as the target date drew ever closer, nothing could be left to chance. Due to efficient planning, however, the distribution of BCN-CHARGEEX credit cards was carried out smoothly, even beyond the fondest hopes of those who had worked so hard to organize it. Through the tireless efforts of our branch managers, the first BCN-CHARGEEX credit cards were safely distributed person to person, without a hitch, in a truly remarkable operation of its kind.

It's worth noting here that when the first telephone call came into the BCN-CHARGEEX authorization centre on the morning of August 19, it was from a store whose president is a member of our Board of Directors, and the cardholder was a doctor who has been a BCN customer for many years!

The very next day, August 20, a team headed by Mr. René Leclerc, our Vice-President and General Manager, went to Quebec City to set the BCN-CHARGEEX QUEBEC operation in motion. During the months to come this team will visit Sherbrooke, then Ottawa, and subsequently—although perhaps sooner than we now expect—other Canadian centres which will be linking up with the CHARGEEX system.

CHARGEEX is destined to play an increasingly important role in the retail business world, a role which will have a marked influence upon the Bank's future operations and successes.

The perfect end to a delightful dinner.
CHARGEEX Credit Card takes care of everything.



YOUR SAVINGS AT WORK

Money, it's been well said, provides the sinews of war. Equally, it's the essential fibre of all economic activity. Money, and credit, fuel the motors of our complex economic system, making possible the production, distribution and consumption of the many riches at the disposal of mankind today.

This is precisely the role the Bank plays in making available to both public and private sectors of the economy hundreds of millions of dollars which countless thrifty Canadians have entrusted to it for safekeeping and growth. These savings, under the careful stewardship of the Bank, are used in many ways to start the wheels of industry and commerce rolling, and keep them moving smoothly. Other funds permit the various governments to supply essential public services which benefit the entire economy: hospitals, schools, universities, health services, highway networks, port installations, communications and many others.

So, if the BCN, like all other banks, is constantly seeking out new savings sources (most successfully during this past financial year, with an increase of more than 95 million dollars in such deposits) it's solely because the sectors of the economy in need of this money are becoming increasingly numerous. For several years following the war, BCN was particularly interested in industrial investments. Pulp and paper, forest product development, trucking and manufacturing were among the many fields where the Bank was active as a lender, along with loans to school commissions, an area where the BCN has traditionally led all banks in the province.

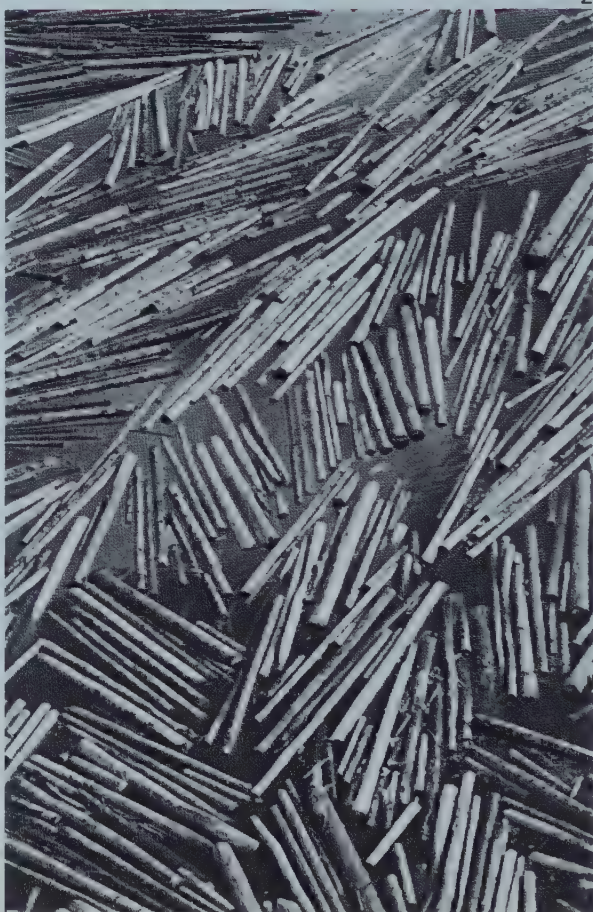
Today, whether large or small and regardless of the problems facing him, the businessman can turn with confidence to the manager of his BCN branch. There, he has competent specialists at his disposal, people skilfully trained and with the benefit of lengthy experience who will study his entire problem carefully and scientifically, and usually come up with a workable solution. BCN files contain many case histories testifying eloquently to the success of this practice.

Certain cases can even be found where the ownership of Canadian enterprises has been retained in Canada, thanks to the financial cooperation of the BCN. The working capital so supplied has enabled them to avoid being swallowed up by competitors on the verge of falling into the hands of giant American corporations.

As for the individual, it's the collective savings of his fellow citizens which makes it possible for the Bank to lend him money to buy an automobile, furnish his home or even make additions to meet the needs of his growing family. This channelling of money to those areas where it can best serve the interests of society and of the individuals who make it up is one of the primary and constant concerns of BCN.

This, then, is how your savings work in the community.

1. For whom do savings work?
2. Savings are essential for the development of our natural resources, such as the pulpwood industry.
3. Housing construction and improvement are also possible through personal as well as collective savings.
4. Thanks to your savings someone can borrow from the Bank to buy a car, or vice versa.
5. Regular consumer spending to fulfill needs or desires, so essential to present day economy, would be impossible without credit, and someone's savings.



3



4



5

BCN ON THE WORLD SCENE



Banque Canadienne Nationale has been firmly established in Paris since the beginning of the century, under the name of Banque Canadienne Nationale (France). Today, it occupies its own spacious eight storey building at 37 rue de Caumartin and boasts among its tenants in its Paris offices one of the world's great newspapers, the New York Times. Canadians travelling in Europe can find at the BCN (France) offices a friendly atmosphere and familiar Canadian accents, in one of the most prestigious sections of Paris, near the famed Opéra. The Canadian businessman visiting Paris is also happy for the opportunity to do his banking in the familiar way he is accustomed to and to get information and assistance he so often needs as a traveller abroad. This Paris subsidiary, in addition, has an important French clientele who have shown their confidence in us, and the BCN as a result is able to play an ever more effective role in the growing import and export trade between Canada and France.

Today, the world has shrunk, and the continents are but a few hours apart. Also, the International Division of BCN in Montreal is in constant communication not only with Paris but with all the great commercial and industrial cities in over 100 countries. This service is always available to tourists, of course, but above all to Canadian and foreign businessmen. The BCN International Division enjoys an enviable reputation everywhere.





THE BANK IN THE COMMUNITY

The primary role of the Bank is an economic one. As we have seen, it channels small and large savings in those directions where there is the greatest need for funds, and where the best interests of the community can be served. Thus, these funds in turn benefit the very people who have deposited their savings.

However, since the Bank occupies a position of prestige, it has a definite obligation to participate actively in every phase of community life. Recognizing this, the BCN willingly plays its significant role in our modern society.

To that end, as the illustrations on this page show, the Bank wholeheartedly cooperates in the community's cultural development and growth, in the fields of higher education and the arts alike.

In other areas, it's to be noted that the Bank never refuses its help or support to humanitarian causes. Quietly and unassumingly, but nevertheless generously, Bank staffers are quick to donate their time, experience, advice and their money to countless worthy organizations and charities. If you were to count up these unpublicized endeavours, it would take a book to list them all. The Bank also pays careful attention to the human values — its most priceless asset — in the training and placement of staff. New people must constantly be made ready to meet the needs of expansion, and to replace those who, their tasks completed, near the hour of retirement. An example of the efficient use of manpower can be found in the new data processing department. There, 30 people make use of their newfound skills after being sent to specialized courses by the Bank to learn this new modern science.

Indicative of the importance BCN attaches to this programme is the fact that it has set up a training centre and provided fully equipped classrooms on the 30th floor of its new Head Office building.

But work isn't everything in this leisure-oriented society of ours, so the Bank lends encouragement in the sports field as well. BCN is represented with spirit and credit by an enthusiastic hockey team in the friendly rivalry of the Bank League.



1. International prestige. On opening day, President Louis Hébert was awarded Honorary Citizenship by Mayor Rayburn Bertrand of Lafayette, Louisiana. President shows his Certificate to Prime Minister Jean Jacques Bertrand.

2. Montreal International Music Festival. Bank's Vice-President and General Manager René Leclerc hands BCN's Grand Prize to a young pianist, while Justice Jacques Vadboncoeur looks on.

3. Humanitarian Aid. BCN makes a worthy deposit at Canadian Red Cross Blood Bank. All Head Office and Main Branch services participated.

4. Education. BCN has contributed \$250,000 to the 1968 Half Century Campaign for the Université de Montréal.

5. Sports. BCN team is top-ranking in the Bank Hockey League.

6. The Business Community. Always active in the business life of the Canadian Metropolis, BCN made an important contribution to the impressive new Commerce House on Beaver Hall Hill.

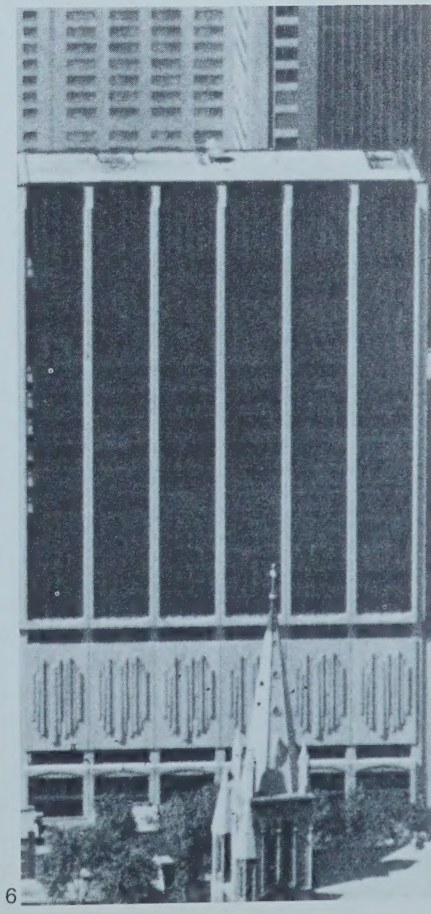




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5



6

BRANCHES

346 Branches and 251 Agencies in Canada

Subsidiary in Paris, 37 rue de Caumartin

116 Branches in Montréal — 22 Branches in Québec City

Other Branches:

IN QUÉBEC

Acton Vale
Alma
Amos
Arvida
Asbestos
Bagotville
Baie Comeau
Baie St-Paul
Beauceville Est
Beauharnois
Beauport
Beloeil (2)
Berthierville
Bic
Black Lake
Boucherville
Brossard
Cabano
Cap-aux-Meules
Cap-de-la-Madeleine
Cap-de-la-Madeleine Ouest
Carleton-sur-Mer
Chandler
Charlesbourg
Châteauguay Centre
Chibougamau
Chicoutimi (2)
Chicoutimi-Nord
Coaticook
Contrecoeur
Daveluyville
Deschailons
Dolbeau
Donnacoona
Dorion-Vaudreuil (2)
Drummondville (2)
East Broughton Station
Farnham
Ferme-Neuve
Forestville
Gaspé
Giffard
Gracefield

Granby (2)
Grand'Mère
Hauterive
Hudson
Hull (3)
Iberville
Île Perrot
Jacques-Cartier
Joliette
Jonquière
Kénogami
Lafleche
La Guadeloupe
La Malbaie
L'Annonciation
La Pocatière
Laprairie (2)
La Sarre
L'Assomption
La Tuque
Lauzon
Laval (11)
Lévis
L'Islet
Longueuil (2)
Loretteville
Lorrainville
Louiseville
Magog
Malartic
Marieville
Matagami
Matane
McMasterville
Métabetchouan
Mistassini
Montebello
Mont-Joli
Mont-Laurier
Montmagny
Nicolet
Normandin
Notre-Dame-du-Lac
Orsainville
Paspébiac

Plessisville
Pointe-Gatineau
Port-Alfred
Portneuf
Princeville
Rawdon
Rigaud
Rimouski (2)
Rivière-du-Loup (2)
Roberval
Rouyn
Roxton Falls
Ste-Adèle-en-bas
Ste-Agathe-des-Monts
St-Aimé
Ste-Anne-de-Beaupré
Ste-Anne-des-Monts
Ste-Anne-de-la-Pérade
St-Anselme
St-Bruno
St-Camille (Bellechasse)
St-Casimir
St-Charles
St-Constant
St-Eustache
St-Félicien
St-Félix-de-Valois
St-Gabriel-de-Brandon
St-Georges (Beauce)
St-Hubert
St-Hyacinthe (3)
St-Jacques (Montcalm)
St-Jean
St-Jérôme (3)
St-Joseph (Beauce)
St-Jovite
St-Lambert
Ste-Marie (Beauce)
Ste-Martine
St-Ours
St-Pacôme
St-Pamphile
St-Pie (Bagot)
St-Prosper
St-Raymond

St-Rémi
St-Romuald
St-Sauveur-des-Monts
Ste-Scholastique
Ste-Thérèse
St-Tite
Senneterre
Sept-Îles
Shawinigan (3)
Sherbrooke (4)
Sorel
Terrebonne
Thetford-Mines (2)
Tracy
Trois-Pistoles
Trois-Rivières (3)
Valcourt
Val d'Or
Valleyfield (2)
Vaudreuil
Victoriaville
Ville-Marie
Wakefield
Warwick

IN ONTARIO

Casselman
Cité Vanier (2)
Hawkesbury
L'Orignal
Ottawa (2)
Sturgeon Falls
Sudbury
Toronto
Vankleek Hill
Verner

IN MANITOBA

St-Boniface
St-Jean-Baptiste
St-Pierre
Winnipeg (2)

